



## **ECD BOARD MEMBERSHIP 101**

Presentation to

Tennessee Emergency Number Association Conference

September 16, 2008

Staff Members, Tennessee Emergency Communications Board

# TN: A National Leader in 911

- Third state to be Phase II ready
- Received award as “Best State or Regional Program” from the E-911 Institute
- Majority of TECB members are 911 professionals

# What is an Emergency Communications District ?

- ECDs are Independent Governmental Entities, like Counties or Municipalities, except they cannot tax.
- There are 100 ECDs in Tennessee.
- ECDs are governed by their boards of directors, not by a county or municipality.
- A majority of the board – a quorum- and a properly noticed open meeting are required for the board to take any official action.

# ECD Board Membership

## ➤ ECD board members:

- Serve 4 year staggered terms;
- Cannot be employees of the ECD;
- Cannot be removed except by a court order.
- Can be removed for:
  - More than 3 consecutive unexcused absences from meetings;
  - Refusing to carry out the provisions of the 911 law (chapter 86) or an order of the TECB;
  - Knowingly or willingly neglecting to perform the duties of their office.

# ECD Revenue Sources

- ECDs historically funded by 911 service charge on landlines.
- 911 service charge on wireless was added when TECB was created in 1998.
- Law requires ECDs to receive 25% of wireless remittances distributed by population.

# ECD Revenue Sources

- The TECB also provides ECDs with:
  - \$50,000 for GIS Mapping system start up
  - \$10,000 annually for GIS Mapping Maintenance Grant
  - \$40,000 for controller
  - \$5,000 for net clock
  - \$150,000 for essential equipment
  - \$100,000 for catastrophic losses not covered by insurance
  - Up to \$300,000 for costs of ECD consolidation

# ECD Revenue Sources

## ➤ Operational Funding Program

- Provides funding annually (subject to budget approval)
- Because the 25% was distributed by population, small, rural districts received disproportionately less funding
- To address that, the Board adopted a formula that recognizes that all PSAPS have essential expenditures and provides \$40,000 to all ECDs.
- The formula divides the ECDs into 7 population-based categories and averages their budgeted costs, excluding personnel costs (since not all ECDs have personnel).

# ECD Relations with Counties and Municipalities

- The law is very flexible about how and how much intergovernmental cooperation is involved with dispatching 911 calls
- Across TN, ECD involvement in dispatching ranges from minimal to everything
- Some ECDs just provide funding to support dispatching by sheriffs, counties, etc.



# ECD Relations with Counties and Municipalities

- ECDs that try to cover all costs for a PSAP – equipment, personnel, shelter, utilities have become financially distressed
- The 911 law never intended for 911 to pay all costs of dispatching
- The law does not require ECDs to dispatch
- Dispatching existed long before 911 and was supported by local government
- The most successful ECDs find a way to share dispatching costs with the other governmental entities involved with or that benefit from the dispatching

# ECD Relations with Counties and Municipalities

- After the TECB allows a district to increase its landline 911 service charge, if contributions from Counties and Municipalities are reduced, the Board will review the rate and may consider reducing the rates and other funding.

# Interlocal Agreements

- TECB Policy No. 25 requires that all agreements or arrangements between an ECD and another governmental entity in which facilities, resources and/or income of any kind are shared, contributed or obtained be memorialized in writing and adopted by the ECD Board.

# Interlocal Agreements:

- Protect you from changes in administration or personnel who might choose to ignore a verbal agreement
- Spell out each party's obligations to minimize misunderstandings

# Interlocal Agreements

- If your ECD is working with another governmental entity to provide dispatching, consider building expected cost increases into the agreement

# Conducting ECD Business: Open Meetings Requirements

- “The general assembly declares it to be the policy of this state that the formation of public policy and decisions is public business and shall not be conducted in secret.”
- The Act states that “[a]ll meetings of any governing body are declared to be public meetings open to the public at all times, except as provided by the Constitution of Tennessee.”
- The Act specifically prohibits secret votes.
- Actions held to be in violation of the Open Meetings Act are “void and of no effect.” Once a court finds a governing body to be in violation of the Act, the court retains jurisdiction for year and must require the governing body to report semiannually on its compliance with the Act.



# Open Meetings Act

- Bottom line: The Open Meetings Act prohibits two or more members of any ECD Board of Directors from talking about Board business except in an open meeting.
- Committees: The Act prohibits private discussions about ECD business by two or more ECD Board members serving on a committee that has authority to make decisions for or recommendations to the ECD Board.

# Open Meetings Act

- Don't talk about 911 Board business with another member of your Board
  - even one other member
  - except in a public meeting.



# Conducting Business: Open Meetings Act

- The Open Meetings Act requires that the public be given adequate notice of each meeting.

# Conducting Business: Open Meetings Act

- What is adequate notice?
  - The notice, including where and when the meeting will be held, must be posted in locations where a member of the community could reasonably become aware of the meeting.
  - Courts have held that posting notice in city hall, the post office and a downtown bank was adequate.

# Conducting Business: What is Adequate Notice

- The notice must be posted at a time sufficiently in advance of the actual meeting in order to give citizens both an opportunity to become aware of and to attend the meeting.
- Courts have found that 2 days notice is not sufficient

# Conducting Business

## What is Adequate Notice

- With Special Called Meetings, the contents of the notice must reasonably describe the purpose of the meeting or the action proposed to be taken.

# Conducting Business

## Open Meetings Requirements

- Minutes must be taken at every public meeting
- At a minimum, minutes must include:
  - A record of persons present
  - All motions, proposals and resolutions offered
  - The results of any votes taken
  - A record of individual votes taken in the event of roll call

# Conducting Business Open Meetings Requirements

- Minutes must be promptly and fully recorded
- Minutes shall be open to public inspection

# Open Records

- Public Chapter 1179, which went into effect July 1, 2008, makes significant changes regarding open records.
- Creates the Office of Open Records Counsel
- Section 1 states:
  - “All state, county and municipal records shall at all times, **during business hours**, which for public hospitals shall be during the business hours of their administrative offices, be open for personal inspection by any **citizen of Tennessee** and those in charge of such records **shall not refuse** such right of inspection to any citizen, unless otherwise provided by state law.”

# What Are Public Records?

- Tenn. Code Ann. § 10-7-503(a)(1): All documents, papers, letters, maps, books, photographs, microfilms, recordings, or other material, **regardless of physical form** or characteristics **made or received** pursuant to law or ordinance or in connection with the **transaction of official business** by any governmental agency.
- 911 tapes
- Anything the ECD staff or board creates is a public record.
- There are a number of exceptions, including unlisted phone numbers contained on 911 tapes.



# Public Records Policies

- Your ECD should have policies regarding how to handle public records requests, especially if you run PSAPs.
- Each PSAP should have a person designated as the records custodian and there should be a backup person assigned.
- The policy should cover the process for making a request, including the forms to be used, identification required, copying fees, etc.

# Responding to an Open Records Request

- Access to records must be granted to any citizen of Tennessee during business hours.
- The custodian may take up to 7 business days to:
  - Provide access to record;
  - Deny in writing access to record with explanation of basis of denial; or
  - Indicate additional time necessary to produce the record.
- The custodian may require the requestor to produce photo identification with an address in order to inspect or to receive copies.

# Forms

- The Office of Open Records Counsel has forms available for the following:
  - The Inspection/Duplication of Records Request
  - The Records Request Denial Letter
  - The Records Production Letter
- The Inspection/ Duplication of Records Request form **MUST** be used for all public records requests. You should customize it to conform to your needs.
- The other forms are for your convenience, or you may create your own.
- These forms are located at:  
<http://comptroller.state.tn.us/openrecords/forms.htm>

# Responding to an Open Records Request

- A custodian may **NOT** require that a request for inspection be in writing but should document the request on the Inspection/Duplication of Records form.
- If the requested record contains confidential information, you must redact (obscure or black out) the confidential information before providing the record.
- The custodian does not have to **create** a record that does not exist.
- Be fair and consistent in implementation. The custodian should always follow the policy.

# Fees

- A records custodian may **NOT** charge to VIEW a public record, unless otherwise required by law.
- A custodian may charge and receive upfront payment for copies.
- The Office of Open Records Counsel is responsible for developing a schedule of reasonable charges which should be completed by October 15, 2008.
- Until this schedule has been released, a custodian may charge the actual costs incurred in producing requested material, provided that no charge shall accrue for the first 5 hours of labor.
  - Such actual costs shall include, but not be limited to: making of copies, extracts, phonographs or photostats; and the hourly wage of employees reasonably necessary to produce the requested information.

# Contact Office of Open Records Counsel

- Ann Butterworth, Director
  - Elisha Hodge, Open Records Specialist

**Toll free: 1-866-831-3750**

**(615) 401-7891; [open.records@state.tn.us](mailto:open.records@state.tn.us)**

**<http://www.comptroller.state.tn.us/openrecords>**

# Ethics Reform

- The Comprehensive Governmental Ethics Reform Act of 2006 made numerous changes to the law regarding ethics, and it created the Ethics Commission.
- The Ethics Act required that by **June 30, 2007** all governmental entities adopt ethical standards for all officials and employees of such entity and submit their ethical standards to the Ethics Commission.

# Ethical Standards

- Ethical standards are required to include rules and regulations on:
  - Disclosure by officials and employees of any personal interests that impact or appear to impact their discretion; and
  - Acceptance of gifts and other things of value received by an official that impact or appear to impact their discretion.
- Submitting an existing policy that might have been in effect prior to the new ethics law will not satisfy this requirement.



# Model Ethics Policy

- ECDs could have either:
  - Adopted a model ethics policy created by MTAS or CTAS;
  - Adopted their own policy; or
  - Determined they were covered by the policy adopted by the county or municipality and notify the Ethics Commission.
- Keep in mind--if an ECD decided to be covered by the city or county policy then it is bound by their review process.
- However, if your ECD adopts its own policy, it can determine the review process.

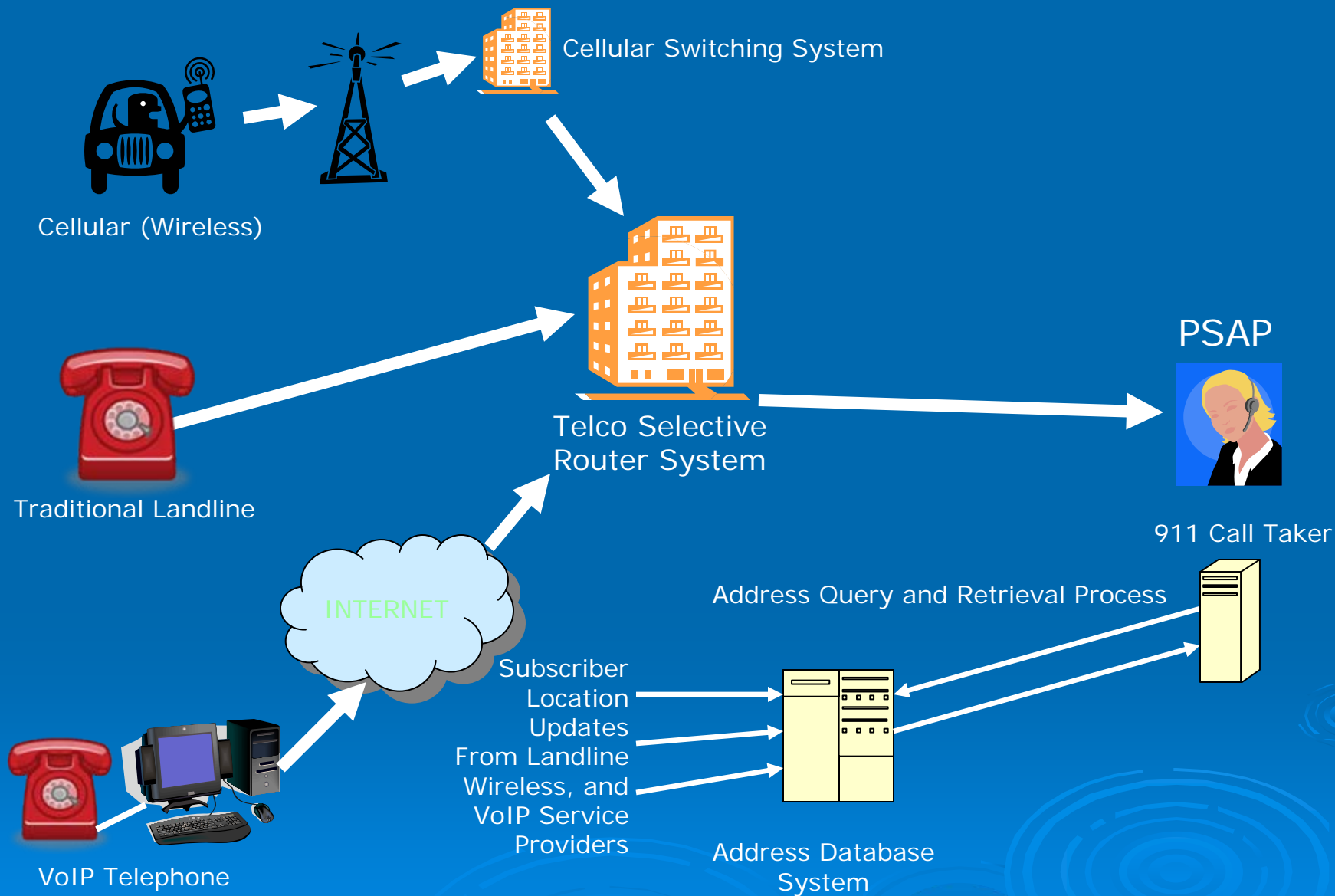
# Ethics –The Bottom Line

- Follow your policy regarding disclosure of personal interest and acceptance of gifts.
- Best to avoid any appearance of impropriety.
- **DON'T DO ANYTHING YOU WOULDN'T WANT TO SEE ON THE FRONT PAGE OF THE NEWSPAPER!!!**

# PSAP Operations

## ➤ Overview of a 911 call

- Calls now coming in from traditional landline telephones, cellular telephones, and VoIP telephones
- Requires call taker to do more than just pick up the telephone handset (rebid, additional verification, etc.)
- NG-911 will bring even more information and from more devices



# PSAP Operations

- Essential & necessary equipment
  - TECB has reimbursement program to aid ECDs in the procurement of many items in the PSAP
  - Essential items must be satisfied first: 911 controller, GIS/mapping system, logging recorder, UPS, generator, TDD equipment
  - Necessary items could include CAD, master clock, furniture, site security, etc.



# PSAP Operations

- Technical and operational standards
  - GIS/mapping systems
    - Ensure a caller can be properly located – life/death
    - Instrumental in updating the ALI database (MSAG)
  - Generators
  - UPS
  - Logging Recorders
  - 911 Controllers
  - Standards of care for ensuring that 911 calls are answered no matter what happens

# PSAP Operations

## ➤ PSAP equipment components

- 911 controller is first interface to 911 caller
- Call data delivered to CAD and GIS/mapping
- Logging recorders provide for verification of call information and archive source for courts, etc.
- TDD software/hardware ensure we can communicate with hearing/speech impaired persons
- UPS and generators ensure above equipment is not disrupted due to power losses, brown-outs, surges, etc. (1 hr. UPS and 48 hour run time for generator)

# PSAP Operations

## ➤ PSAP Equipment Environment

- Equipment should be maintained in a secure, dry, well-lit, and climate-friendly (70°) environment
- Remember, these are \$\$\$ investments in the 6-digit range
- Plus, it will last longer
- People's lives depend on the equipment working 99.999% of the time





Not so hot



The way it should be

# PSAP Operations

- Backup plans including mobile PSAPs
  - Required by TECB Policies 33 and 36
  - Re-routing of 911 calls from disabled or evacuated PSAP
  - Written contingency plan
  - Annual testing of the contingency plan
  - TECB must be notified for outages exceeding 1-hour (Policy 31)

# Dispatcher Training

- Tenn. Code Ann. § 7-86-205 requires that each emergency call taker or public safety dispatcher who receives an initial or transferred 911 call complete training and course of study requirements established by the TECB.
- Required for all dispatchers employed after July 1, 2006 and must be completed within 6 months of employment date (dispatchers who had more than 5 consecutive years of service as of May 1, 1994 are grandfathered out of this requirement).
- The State Regulations set a MINIMUM for training. The better ECDs provide substantially more.

# Dispatcher Course of Study Requirements

- TECB Rule 0780-6-2 requires that all emergency call takers or public safety dispatchers who receive an initial or transferred 911 call complete:
  - No less than 40 hours of supervised on-the-job training;
  - No less than 40 hours of public safety communications coursework administered or sponsored by an academy, agency, or post-secondary educational institution that is capable of providing practical experience on a communication console or simulator and maintains a comprehensive and accurate record system for all phases of the program; and
  - Continuing education of no less than 8 additional hours of public safety coursework every 2 years after completion of the initial training.
- These requirements apply to ALL call takers no matter who they work for.

# Revenue Standards

- TCA 7-86-306(a)(10) authorizes the TECB to establish operating standards concerning acceptable uses of revenue for ECDs and periodically review and revise these standards.
- The TECB has established Revenue Standards that govern how ECDs expend 911 revenue. Currently, there are six required, 31 permissible and seven prohibited uses.
- The Revenue Standards are located on the TECB website ([www.state.tn.us/commerce/911](http://www.state.tn.us/commerce/911)).



# Revenue Standards

- It is the responsibility of all ECD board members, Directors, Accountants and CPAs to be very familiar with these Revenue Standards.
- It is the TECB's responsibility to assist all ECDs in the areas of management and accountability, including adherence to the Revenue Standards.

# Revenue Standards

- All contracted CPA auditors to ECDs are required to publish in their annual audit all findings that would indicate any violation of the Revenue Standards.
- The current Revenue Standards are under revision by TECB staff, all updates will be made available as soon as they are completed.

# Revenue Standards

- Six (6) required uses of 911 revenue:
  - The lease, purchase, or maintenance of existing enhanced emergency (911 service) telephone equipment [Automatic Number Identification (ANI), and Automatic Location Identification (ALI)], including necessary computer hardware, software, and database provisioning for existing PSAP(s) in an Emergency Communications District.
  - Rates associated with the service suppliers' enhanced emergency (911 service) telephone system network services (ANI and ALI) for existing PSAP(s) in an Emergency Communications District.



# Revenue Standards

Six (6) required uses of 911 revenue **cont'd**:

- Expenditures for the lease, purchase, modification, or upgrade of systems and devices required to provide wireless enhanced 911 service.
- Costs of an annual audit, as required by Tennessee Code Annotated § 7-86-113.
- Premiums on surety bonds for ECD board members, employees, officers or any other authorized person who receives, has authority to make expenditures from or has access to 911 funds in the amounts set forth in T.C.A. § 7-86-119.
- Public meeting notices or legal notices for compliance with the Open Meetings Act (T.C.A. Title 8, Chapter 44, et seq.)

# Revenue Standards

- There are thirty-one (31) permissible uses of 911 revenue provided the ECD has the resources and the items are a part of its budgetary plan.

# Revenue Standards

- Seven (7) prohibited uses of 911 revenue:
  - Capital costs or operational costs for emergency response equipment or emergency response personnel which respond after the 911 call is dispatched, transferred, or relayed.
  - Purchase or lease of emergency response vehicles, law enforcement vehicles, vehicles for public safety emergency services providers, other political subdivision vehicles, and any other vehicles not designated for exclusive use for or by an ECD.

# Revenue Standards

## Seven (7) prohibited Uses of 911 Revenue **cont'd:**

- Costs of purchasing, installation, and maintenance for public or private road signs, posts, or any other markers related to addressing.
- Gifts and flowers.
- Entertainment expenses.
- Civic club dues.
- Cost of purchasing, installation, and maintenance of outdoor warning sirens.

# Revenue Standards

- Possible consequences of violations of the Revenue Standards:
  - The TECB may require ECD management to explain any reported violation in a public meeting.
  - Contributions from the \$14 million Operational Funds may be withheld from the ECD.
  - The TECB may require the ECD management to make restitution.

# Budget - Required

- The law requires the board of each district to adopt and operate under an annual budget. The budget shall present a financial plan for the ensuing fiscal year. No district may expend any moneys except in accordance with a budget adopted under this section. Expenses must be presented at the legal level of control, **which is defined to be at the line-item level.**

# Budget - Balanced

- Budgeted Expenditures should not be greater than budgeted Revenues. It is permissible to use reserves to balance the budget, but be sure this is disclosed and restricted for one-time expenditures.

# Budget – Due Dates

- Prior to adoption by the district **and** within thirty (30) days after the budget's adoption by the district board, a copy of the budget shall be filed with the chief administrative officer and the clerk or recorder of the appropriate county or municipality.
- A copy of the approved budget shall also be filed with the TECB.



# Budget – Variance

- The law requires a financial report of activities be presented at every regularly scheduled Board meeting.
- Guidelines, developed by the Comptroller of the Treasury and described in the Audit Manual, stipulate that included will be a statement that compares budget with actual year to date amounts for the most recent complete month of operations.

# Budget – Amend

- If review of the budget comparison statement indicates that a line-item expenditure will exceed the budgeted amount, then a budget amendment must be made to shift line-item amounts to cover all expenditures.
- Budget amendments can be made anytime during the year as occasion demands, but must be made before June 30 of each year.

# Purchasing – Authority

- The law states that all ECD revenues must be expended according to the provisions of the County Purchasing Law of 1983, compiled in title 5, chapter 14, part 2.
- The ECD Board is deemed to be the governing body within the context of this law and is authorized to adopt regulations and procedures for compliance.

# Purchasing – Bidding

- In exercising control of purchasing ECD Boards should hold to ethical standards which pay homage to the public trust as well as the letter and intent of the law. Every purchase or payment authorized should be made on a competitive basis.
- Some purchasing guides follow:

# Purchasing – Bidding Guides

- If anticipated cost is over \$10,000 then, in addition to written bidding requirements, the solicitation of bids must also be advertised in a newspaper of local distribution.
- Formal written bids must be solicited and obtained for all purchases over \$10,000 and confirmation from the successful vendor retained. A “no bid” or no response from a vendor does not constitute a competitive bid .

# Purchasing – Bidding Guides

- Purchases between \$1,000 and \$10,000 should have written documentation of bids, but may be less formal than the over \$10,000 purchases.
- Purchases costing less than \$1,000 do not require written bids, but should still have documentation of efforts to obtain competitive pricing to exercise care to ensure value received on purchases.

# Purchasing – Bidding Guides

- When purchases are from a single source of supply, proprietary to a particular brand or model, ECDs are required to fully justify and document the circumstances and determination of “sole source”.

# Purchasing – Bidding Guides

- Some purchases will not require bids.
  - Purchases from statewide contract
  - Telephone billings
  - Newspaper, radio, internet, or television advertisements
  - Freight charges not incurred in connection with the purchase of supplies and equipment



# Purchasing – Bidding Guides

- Postage charges, including the purchase of metered postage
- Utility billings, connection fees and landfill charges
- Tuition, fees and supplies for training of individuals
- Occasional charges for rooms for meeting and attendant expenses
- Expenses in connection with meetings, such as coffee and doughnuts

# Depreciation

- In accounting, depreciation is a term used to describe any method of attributing the historical or purchase cost of an asset, across its useful life, which roughly corresponds to normal wear and tear.
- It is a good business practice and a valuable process which enables an ECD to accumulate resources to replace equipment as it wears out or becomes obsolete.

# Depreciation - Budget

- The ECD has the option of recording depreciation on its budget. It is not a cash expenditure, but will affect the change in net assets for the year being reported.
- A negative change in net assets indicates that an ECD is not financially balanced for that term.
- Three consecutive years of negative changes qualify an ECD to be deemed financially distressed by the TECB.

# Depreciation – Useful Life

- Depreciation expense is based on spreading purchase cost over the lifespan of a capitalized item. An item's lifespan is established based on ECD's determination of its own expectations and historical knowledge of similar items.
- The Audit Manual sets upper limits on a few estimated items like: office furniture and fixtures; vehicles; equipment; and buildings & improvements.

# Depreciation – Contra Asset

- Depreciation expense is recorded on the Statement of Revenues, Expenses and Changes in Net Assets as an annual expense line item. If the ECD does not record this expense the auditor will make an adjusting entry to record this cost to meet GAAP mandates.
- This “expense” is charged against the account, Accumulated Depreciation on the balance sheet, instead of against cash, as a normal expenditure.

# Checks and Balances

- Accounting and Financial Reporting Manual-TCA 7-86-304 directs the Comptroller of the Treasury to develop a uniform financial accounting system conforming to generally accepted accounting principles for use by all ECDs. The manual provides the essential guidelines for accounting and financial matters. The latest revised manual is now available on the comptroller's website:  
[www.comptroller.state.tn.us/cpdivica.htm](http://www.comptroller.state.tn.us/cpdivica.htm)

# Checks and Balances

- Responsibility of the ECD board
  - Assuring compliance with the Accounting and Financial Reporting Manual.
  - Have some familiarity with the daily operation of the ECD.

# Checks and Balances

- Responsibility of ECD management:
  - Ensure compliance with the law, the regulations, the Revenue Standards, and the audit manual in the day to day operation of the ECD.
  - Take all necessary corrective measures to remedy infractions.



# Checks and Balances

- Chart of Accounts-
  - All ECDs are required to adopt the uniform chart of accounts prepared by the Comptroller of the Treasury.
  - Any deviations from the uniform chart of accounts must be with the written approval of the Office of the Comptroller of the Treasury, Division of County Audit.

# Checks and Balances

TECB Requirements and consequences of failure to comply-

- Policy 13 requires individual emergency communications district's approved budgets to be sent to the TECB no later than 45 days after the local ECD approves it.
- Policy 17 authorizes the Executive Director of the TECB to withhold the distribution of collected wireless service charge to all districts that fail to submit an annual budget until a copy of such budget is filed.

# Checks and Balances

- Audit Requirement- TCA 7-86-112 states that the board of directors of each district shall cause an annual audit to be made of the books and records of the district.
- These audits shall be prepared by certified public accountants, public accountants or by the Comptroller of the Treasury, Division of County Audit.

# Checks and Balances

- The Comptroller of the Treasury is authorized to modify the requirements for an audit as set out in this section for any districts whose activity, in the comptroller of treasury's judgment, is not sufficient to justify the expense of a complete audit.

# Internal Control and Compliance

- “Internal control is the process that an entity’s board of directors, management and other personnel design to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with laws and regulations.”

# Internal Control and Compliance

## ➤ How the process works-

- All internal control and compliance exceptions should be documented and reported by an independent auditor.
- It is the ECD's responsibility to respond to and, if possible, provide corrective measures for any findings.
- It is the ECD's responsibility to discuss all exceptions with the independent auditor and to follow through with all corrective measures it promised to implement.

# Internal Control and Compliance

## ➤ TECB responsibility –

- To assist ECDs in areas of management and accountability.
- To review audited financial statements by independent auditors or the comptroller's office for the purpose of determining if the findings and exceptions have been addressed.
- To question the ECD about significant findings and assist in any way possible

# Financially Distressed Districts

- Tenn. Code Annotated § 7-86-304(d)(1) provides that a financially distressed district shall be supervised and evaluated by the TECB.



# Definition of Financially Distressed

- The law defines a financially distressed district as a district that:
  - Has a negative change in net assets for 3 consecutive years;
  - Has deficit total net assets; or
  - Is in default on any indebtedness.

# Other Ways to Become Financially Distressed

- In addition to the previous definition, the TECB may determine that a district is financially distressed and subject to supervision if the ECD:
  - Is the subject of a lien filed by the IRS;
  - It appears the district cannot satisfy its financial obligations to the extent that the operation of the district is at risk; or
  - The district has defaulted on an indebtedness due to insufficient funds and the default is not cured within 60 days and it appears the district cannot satisfy its financial obligations to the extent that the continued operation of the district is at risk.

# TECB May Prescribe Rates

- After holding a public hearing in a financially distressed district's service area, the TECB may establish a rate structure up to the maximum allowed by law to be adopted by the district to cause the district to liquidate any deficit total new assets, to cure a default in an indebtedness, to eliminate the negative change in net assets, or any of the above.

# Remedies

- If a local ECD board fails to adopt the prescribed rate structure, the TECB may petition chancery court to require the district to adopt such rate or may take any other remedial actions that may be required to cause the district to be operated in accordance with the law.

# Financially Distressed Districts

- TECB Policy 16 states that effective February 1, 2004, ECDs that have been determined to be “financially distressed districts” shall remain subject to the supervision and evaluation of the TECB for a period of not less than two (2) consecutive years of positive cash flow.

# Financially Distressed Districts

- For this policy, a positive cash flow for the ECD is defined as having funds available in the ECD's checking account and not being over thirty (30) days in arrears for any debt or obligation.

# Financially Distressed Districts

- ECD responsibility- The ECD board of directors and management should pay attention to the “red flags” that would indicate that the ECD is heading into financial trouble and take all necessary actions to prevent that eventuality.
- TECB staff is always willing to discuss these situations with the ECD management.

# Financially Distressed Districts

➤ ECD responsibility- Pursuant to TECB Policy 21, as of April 1, 2004, all ECD shall provide the TECB with notice in the event that they are:

- Operating under an annual net loss and/or
- In default on any debt

Such notice shall be provided in writing within ten days of such event.



# Consolidation Opportunities

- ECDs may consolidate emergency communications operations with a city, county or another ECD
- The make up and appointment process for a joint ECD board is up to the parties
- The funding percentages to be contributed by each entity is up to the parties
- Any agreement to combine, must be in writing

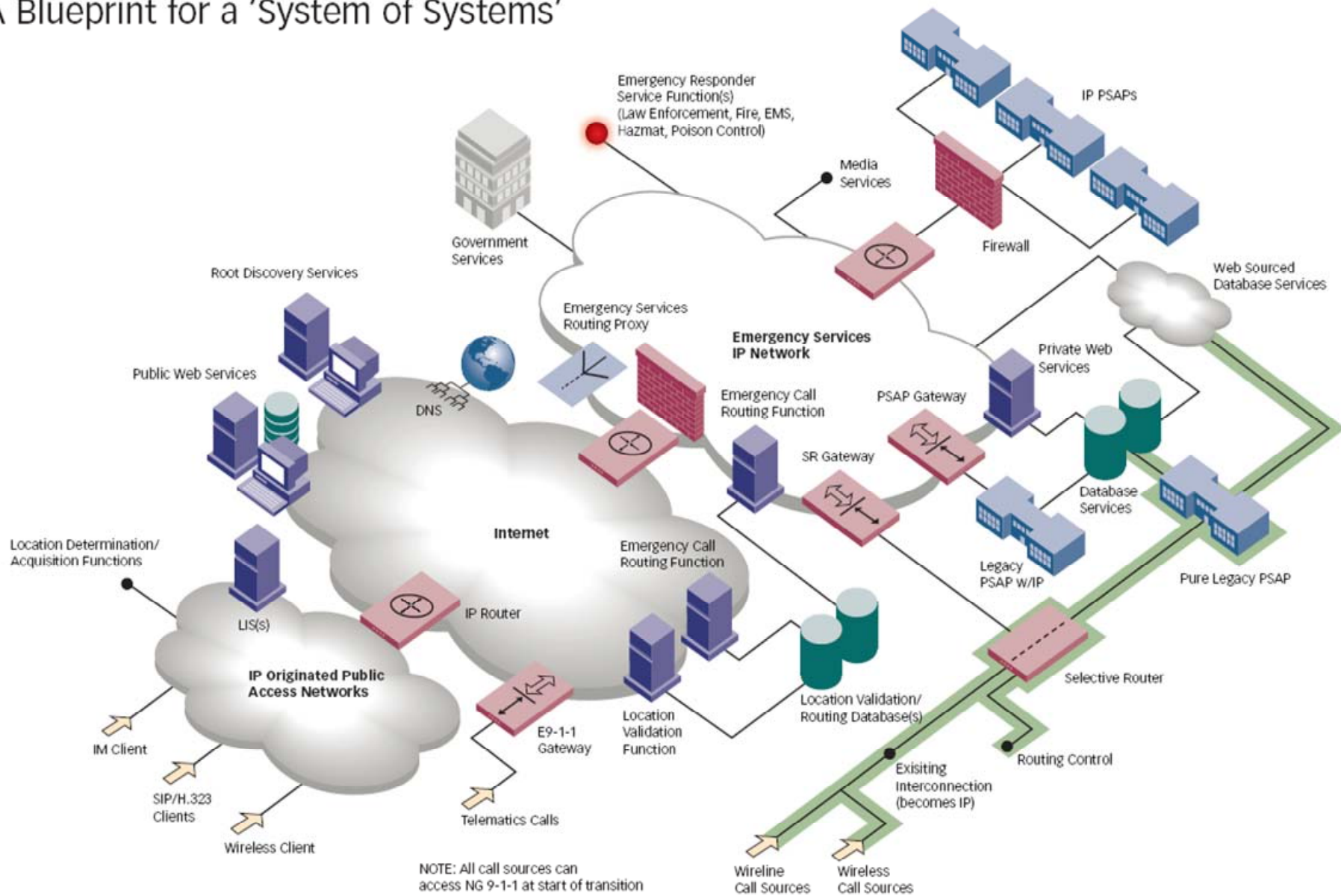
# Consolidation Opportunities

- The TECB offers financial incentives to ECDs that consolidate with other ECDs
  - Up to a maximum of \$150,000 to each ECD
  - Continuation of same funding for grants and all distributions for each
  - Consolidation can reduce equipment, building, utility and personnel costs and increase efficiency and service
  - Overton and Pickett County ECDs have consolidated.

# Next Generation 911

- The existing enhanced 911 network is based on older analog technology
- The existing network does a pretty good job of handling landline telephone calls
- But, landline telephones are being replaced with cellular, VoIP, PDA devices, etc.
- The new generation of 911 equipment, network, and services will allow oral, text, video, and telematic type notification of emergency situations from a variety of devices
- The network must change to meet the technological demands of those devices

## A Blueprint for a 'System of Systems'



# Next Generation 911

NG-911 creates a system of systems that eliminates borders and roadblocks

- NG-911 creates a common gateway to all wireline, wireless, VoIP, and other emerging technologies to come, and speeds a caller to the proper PSAP

# What will happen at the PSAP?

- E911 controllers at the PSAP must interface via an IP interface device, not the current analog 911 trunk and low-speed ALI data link
- Workstations that are now CTI type devices should work with the possible upgrade of software on the controller
- Converters will allow an IP to analog conversion until a new controller is acquired

# What will happen at the PSAP?

- PSAPs have been evolving for years
- We left the “Mayberry” scenario many years ago
- CAD, GIS mapping, NAWAS, instant recall recording, AVL, and other systems are already requiring more and more training for dispatchers
- The state has already passed legislation setting minimum dispatcher training standards
- Services like EMD will force smaller PSAPs to look at alternatives
- These and other requirements like radio upgrades will almost prohibit the creation of new municipal PSAPs – centralized dispatch will look a lot more attractive



# NG-911: What's the TECB doing?

- Development of specifications for statewide infrastructure in development
- May partner with the new NetTN network that will replace the TNII network
- Early stages of build-out could occur in 2009
- Funds are set aside specifically for this project
- Involved with NENA workgroups working on standards to ensure we move in the right direction at the right time



# Rate Increases

- Pursuant to TCA 7-86-108(a)(1)(A) the ECD board may levy an emergency telephone service charge in an amount not to exceed 65¢ per month for residence service users, and \$2.00 per month for business service users, to be used to fund the 911 emergency telephone service.

# Rate Increases

- The law further states the ECD board may increase their rates up to \$1.50 for residential and \$3.00 for business per month by:
  - Through a referendum, or
  - By submitting a rate increase application to the TECB in compliance with Policy 14.

# Rate Increases

## ➤ TECB Responsible for:

- Informing the ECD that their application is being processed for an upcoming TECB public meeting to which the ECD is required to attend for the purpose of supporting their request.
- Informing the ECD board and management of the rate increase approval and to ensure that the information is updated on the TECB website.

# Rate Extensions

- Rate increases automatically expire 3 years from effective date of approval by the TECB.
- Requests to extend these rates must be submitted every 3 years to the TECB for approval pursuant to Policy 14.
- The TECB will consider whether local support (financial or in-kind) of the ECD has been maintained when considering an extension.

# ?? QUESTIONS ??

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